The full texts of the Budget Address, Estimates of Revenue and Expenditure and supporting schedules for 2017-2018 and previous years are available on the Province of Prince Edward Island's website:

http://www.princeedwardisland.ca/Budget

PRINCE EDWARD ISLAND
2017 BUDGET

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THE BUDGET ADDRESS

Introduction

Mister Speaker, I am pleased to present a fiscal plan that effectively responds to our Province's social, economic and fiscal challenges.

Our plan is precise - and it confirms our commitment to families, health care, education and enhanced employment opportunities for Islanders.

Furthermore, our Budgetary roadmap reflects Prince Edward Island's growing economic strength and diversity.

And, Mr. Speaker, I am proud to announce that this year's Budget will be balanced - and in fact, we are confident in projecting a surplus of $600,000 for fiscal year 2017-2018.

The return to balance has been a steadfast goal of the Premier and our Government since we first took office - and is built around a deep respect for the resources of Island taxpayers.

At the same time, the Premier is consistent in his desire to invest in areas that are important to Islanders.

For that reason, our plan for the current year will include:

- The largest increase in health care spending in nearly a decade;
- An additional $5.4 million dedicated to the education of Island children and youth;
- An increase of $6.6 million in support of families and Islanders in need; and
- A reduction in provincial income tax that will help out 85,000 Islanders.

"The largest increase in health care spending in nearly a decade."

In fact, no new tax increases will be part of our 2017-2018 Budget.

Additionally, Mr. Speaker, we are investing in our future through new investments in resources for skills training, post-secondary education and programs designed to expand both traditional and emerging economic sectors.

Notre plan pour 2017-2018 est responsable, réceptif et fiable. Il s'agit d'un cadre d'action de développement social et économique, faisant preuve de discipline financière.

Our plan for 2017-2018 is responsible, responsive and reliable. It is a blueprint for social and economic expansion - and it does so in a manner that is fiscally disciplined.

"Our plan for 2017-2018 is responsible, responsive and reliable. It is a blueprint for social and economic expansion - and it does so in a manner that is fiscally disciplined."

The Island Economy - Growing and Diverse

Mr. Speaker, over the past year, I have been encouraged by the hundreds of conversations I have had with Islanders in all parts of the Province.

Increasingly, I hear a message of optimism - and a growing confidence that we are increasingly capable of competing on both the national and international stage.

All of us should be pleased with our growth in gross domestic product last year, which is pegged by private sector economists at 1.4 per cent. Over the next two years, we will stay on pace with that growth - with GDP increases of 1.3 and 1.2 per cent respectively, over 2017 and 2018.

Several highlights across our Province include:

- Improved lobster prices increased the landed value to $193 million, an increase of 28.5 per cent compared to the previous year.
- Potato yields increased due to ideal growing conditions.
- The good weather also helped boost tourism, where over-night stays increased 10.2 per cent to reach a record high.
- The value of manufacturing shipments increased 5.8 per cent in 2016, to reach $1.7 billion, also a new all-time high.

"Mr. Speaker, these economic results are growing the economy in all parts of Prince Edward Island, rural and urban, and helping to drive income growth for Island workers."

Mr. Speaker, these economic results are growing the economy in all parts of Prince Edward Island, rural and urban, and helping to drive income growth for Island workers.

Average weekly wages grew 2.3 per cent in 2016, which was the second fastest growth amongst Provinces.

"When people and businesses earn more income, we see increases in consumer spending and investment."

And this is very important, Mr. Speaker. When people and businesses earn more income, we see increases in consumer spending and investment.

As a result, the value of retail sales increased 6.6 per cent to lead the Provinces in 2016.

Additionally, the value of new motor vehicle sales increased 16.9 per cent.

Non-residential investment in construction increased 13.9 per cent, the fastest growth among Provinces. Residential investment in new homes and renovations saw an expansion of 5.2 per cent in 2016.

A new contributor to our growing success lies in the realm of intergovernmental cooperation.

Last year, the Premier and his regional counterparts reached an historic economic development agreement - the Atlantic Growth Strategy - with the Federal Government.

A key piece of this strategy is to grow the population through immigration. As of July 1, 2016, Prince Edward Island's population was estimated to be 148,649, which is an increase of 1.3 percent over 2015. It is a source of pride, Mr. Speaker, that this is the fastest growth in the Atlantic region.

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Working With Our Federal Partner

We have worked hard in collaboration with our Federal Government partner in the interests of Prince Edward Island. During the year Federal/provincial agreements were reached to:

- Strengthen the Canada Pension Plan that, when fully mature, will see retirement benefits rise by up to 50 per cent;

- An increased Federal funding for home care and mental health, which over the next decade will see an additional $45.1 million invested in those important areas;

- And extensive co-investments in important public infrastructure valued at over $140 million over the next two years in Capital and Operating expenditures.

Government is also actively involved in negotiations with Ottawa to ensure the Island receives its share of the $11.2 billion housing program announced in the recent Federal Budget.

The key priorities for this funding are: affordable housing; establishing a National Housing Fund; making surplus Federal lands available at low cost; and extending the Homelessness Partnering Strategy.

Mr. Speaker, our Government is pleased to have a new partnership with Ottawa. In many ways, our policy priorities align with one another. For that reason, I am confident that a new level of cooperation between our governments will result in further economic diversification and enhancements to social programs.

"Mr. Speaker, our Government is pleased to have a new partnership with Ottawa. In many ways, our policy priorities align with one another."

"...the Budget for Health PEI will go up by 5.8 percent to $640 million. This is the largest increase in the Health Budget since 2009-2010."

A Renewed Commitment to Health Care

In 2017-2018, the Budget for Health PEI will go up by 5.8 percent to $640 million. This is the largest increase in the Health Budget since 2009-2010.

This investment of $35 million in health care reflects Government's understanding that providing high-quality and accessible health care is a fundamental obligation.

"This investment of $35 million in health care reflects Government's understanding that providing high-quality and accessible health care is a fundamental obligation."

In part, the increased investment in this area is in support of physician services and hospital care.

And in keeping with the changing health needs of Islanders, the Budget includes:

- Funding for a geriatrician to support the Seniors' Strategy;
- Additional emergency room doctors to reduce wait times;
- And neurology services to support those with nervous system disorders. This will reduce services required out-of-Province, as well as wait times.

As a result of the Federal/Provincial Health Accord, new expenditures of $1.2 million in 2017-2018 will be Budgeted for mental health and addictions, as well as home care.

"These investments will result in better mental health care for children and youth... and assist seniors to enjoy an independent quality of life in their own homes and communities."

These investments will result in better mental health care for children and youth, reduce the number of patients in the hospital, and assist seniors to enjoy an independent quality of life in their own homes and communities.

This Budget will provide funding to implement a Universal Influenza Immunization Program at a cost of $600,000. This will expand the immunization program which is currently for children, to include adults. The universal program will help to reduce the incidence of vaccine preventable diseases.

The Women's Wellness Centre began operations in January with further services to be added over the next few months. Expenditures of over $1 million are Budgeted for 2017-2018 for the program, which will be offered through hospital and community-based services.

In addition, I am pleased that $5 million has been allocated over the next two years in the Capital Budget to renovate the Prince County Hospital. This work will accommodate the Women's Wellness Centre, and expand Ambulatory Care.

There is new funding of $443,000 to support the Cancer Strategy.

This funding will be invested in support of:

- A Palliative Day Care Program and Out-patient Clinic;
- Prevention and health promotion initiatives aimed at reducing the incidence of cancer;
- And improving access to screening and early detection, to allow diagnosis of cancer on a timely basis.

Health PEI continues to improve the Provincial Renal Program with an additional $370,000 to finish repatriating the dialysis program from Nova Scotia. Islanders can now access dialysis treatment in Alberton, Summerside, Charlottetown and Souris.

Another important initiative in our plan for health care renewal will be to increase the comfort allowance for subsidized residents in nursing homes and long-term care facilities by $20 per month. This will result in additional expenditures of over $200,000 in the coming fiscal year.

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Educating Our Children and Youth

In keeping with Government's commitment to help Island youth excel in a changing world, our educational plan will see an increase of $5.4 million in 2017-2018.

"In keeping with Government's commitment to help Island youth excel in a changing world, our educational plan will see an increase of $5.4 million in 2017-2018."

As a result, the total Budget of the Department of Education, Early Learning and Culture will be $256 million - an all-time high.

An important component of this investment is student well-being.

Our plan will expand and enhance well-being supports in schools through an additional investment of $400,000. This investment will help to ensure better access to high-quality services. There will be five key areas of focus:

- Establishing core service delivery in schools, beginning in the Westisle and Montague families of schools, so that programs are more equitably provided;
- Improving coordination of community services to make them easier for families to access;
- Addressing identified service gaps in rural communities;
- Investing in prevention and early intervention; and
- Increasing collaboration between schools and agencies that serve children and families.

Furthermore, new resources will be used to fund:

- A Mental Health Therapist to provide assessment, therapy and clinical coordination;
- School nurses to focus on health promotion and education;
- Youth workers to help with issues related to behavior, social skills and alcohol and drug awareness; and,

"...the total Budget of the Department of Education, Early Learning and Culture will be $256 million - an all-time high."

- A School Authority Counseling Consultant to provide case planning support for students.

Mr. Speaker, Government will also continue to respond effectively to changing dynamics in Island classrooms. For example, the education system continues to see increased demand as a result of children with special needs entering the classrooms.

"Government will also continue to respond effectively to changing dynamics in Island classrooms."

Additional Educational Assistants were required in the 2016-2017 year, and our plan will increase spending by $600,000 in this critical area. That is in keeping with Government's record: Over the past two years, 23 Educational Assistants have been added to our schools.

Due to a growing number of new Canadians, schools were also challenged in the past year to provide English and French as additional language resources. This required an additional 10 new educators, who help our youngest newcomers to become successful learners in the classrooms.

Our education plan will also increase Early-Years Autism grants by $100,000. This will provide additional early-years educational support staff for children with autism, who are under five years old.

The Department of Education, Early Learning and Culture has also added two Occupational Therapists, one in the east and one in the west, as an expansion of the current pilot program offered in the Central Region of the Province.

Supporting Island Families

The Family and Human Services Budget has been increased this year by $6.6 million, to total over $103 million. These increases

reflect Government's commitment to the Disability Support Program, increased cost for social assistance benefits, and an increased investment in children needing support from the Child and Family Services Division.

This Budget will also include increases in funding of $75,000 to support independent case reviews and staff training as recommended by the *Child Protection Act* Review.

As part of the five-year commitment with a total cost of $2.8 million, food rates will increase for social assistance clients. The comfort allowance will be increased by $20 per month for subsidized residents in community care facilities, as well as other clients of the Department currently receiving the allowance, with an annual cost of $300,000.

Additional funding for the Child Care Subsidy Program will result in more Island families being eligible.

Support for Habitat for Humanity will be maintained at $50,000 to assist with new housing for low-income homeowners. Further, Government will continue to fund shelter renovations to support victims of family violence.

The Department of Family and Human Services will continue to partner with Workforce and Advanced Learning and other departments, as well as organizations outside Government, to support social assistance clients in their efforts to enter the workforce.

The Department of Justice and Public Safety has added a Parenting Coordinator which is an innovative child-centric program that establishes post-court order supports to mediate or arbitrate disputes. This is a process that will decrease the cost to the system and families through consensus building, outside of the Court process.

"The Department of Family and Human Services will continue to partner with Workforce and Advanced Learning... as well as organizations outside Government, to support social assistance clients in their efforts to enter the workforce."

This Budget also includes funding for a Children's Lawyer to provide legal services to protect the needs and interests of children.

This Budget continues the commitment of over $5 million in grants to support Islanders wishing to stay in their own homes, through programs such as Seniors' Home Repair and Seniors' Safe at Home.

Jobs and Youth

A well-trained and adaptable workforce is a pillar of growth for our provincial economy and the backbone of many successful Prince Edward Island businesses. Offering young Islanders imaginative new programs to help them excel in a changing world is a central priority of Government.

"A well-trained and adaptable workforce is a pillar of growth for our provincial economy and the backbone of many successful Prince Edward Island businesses."

For example, I would like to point to the Graduate Mentorship Program. Last year, we invested $2 million in this initiative - which tripled previous funding. We will maintain our commitment to this highly successful program this coming year.

This program has two goals: Helping young Islanders get their first experiences in jobs relevant to their training, and assisting the private sector with identification of new talent.

Additionally, the Graduate Mentorship Program is specifically designed to encourage educated young Islanders to stay here at home - and take advantage of all the opportunities the Island has to offer.

"...the Graduate Mentorship Program is specifically designed to encourage educated young Islanders to stay here at home - and take advantage of all the opportunities the Island has to offer."

And I am pleased to say, Mr. Speaker, that last year, the program expanded to nearly 300 recent graduates. In the coming year, we are confident of further success.

Similarly, our Supporting Youth in Careers program expanded significantly in 2016 - and provided 85 young Islanders with employment experience in key sectors like aerospace, information technology and construction. Mr. Speaker, I am pleased to announce the program will be expanded this year to include the renewable energy sector.

"...our Supporting Youth in Careers program expanded significantly in 2016 - and provided 85 young Islanders with employment experiences in key sectors like aerospace, information technology and construction."

Another venture paying dividends, is the Team Seafood Initiative, which helped to provide educational support to young Islanders working in the fisheries sector. This year, we will continue to work with Ottawa on this program, and support up to 250 students to gain experience in the seafood sector while earning funds for their future studies.

In addition, Government will support similar pilot projects in the trucking and construction sectors to expand opportunities for students to learn about careers in these sectors and gain work experience.

And, Mr. Speaker, our efforts over the last two years are paying off. From 2014 to 2016, the unemployment rate among those aged 20-24 has dropped by more than two per cent. This was partly due to Government's continuing efforts to provide training supports needed by youth to gain employment in their chosen fields.

"...our efforts over the last two years are paying off."

In more general terms, Government continues its partnership with Ottawa - to develop a new generation of agreements that will assist Islanders to get the training they need to find and keep meaningful employment and continue development of a workforce that is one of our Province's most important competitive advantages.

We are also encouraged by recent changes to the Employment Insurance Program, which permit Islanders to maintain receipt of benefits while getting the training they need to secure good, well-paying jobs.

In keeping with Government's commitment to workers, our new Population Action Plan is designed to recruit, repatriate, and retain a skilled and talented workforce.

"In keeping with Government's commitment to workers, our new Population Action Plan is designed to recruit, repatriate, and retain a skilled and talented workforce."

WorkPEI will play a key role for former and new Islanders, students, and mature workers trying to re-enter the labour force, as well as employers looking to hire talented job seekers. A new Community Engagement Officer has been contracted to build the WorkPEI brand and to improve user registration and retention through WorkPEI. There are currently close to 450 employers and nearly 2,000 job seekers registered through WorkPEI - which testifies to the growing public interest in this initiative.

Furthermore, Government is working to develop a more-sophisticated understanding of our labour market. To that end, a Labour Market Research Unit has been established to examine the wide range of challenges facing our work force - and the economic demands of our Province.

Another source of advice to Government is the Youth Futures Council, which has been invaluable in helping to identify priority areas for action. In particular, the Council has identified issues of workforce attachment and educational opportunities as prime areas for further work.

Last fall, YDAY brought together more than 170 young Islanders and community leaders for wide-ranging discussions. This active dialogue will continue this year - leading up to YDAY 2017.

In terms of direct support, Government has increased the Budget for student aid to $7.2 million.

Elements of this commitment include:

- An increase to the weekly maximum student loan;

- Extension of the grace period for student loan repayment to one year - which offers young Islanders with more time to attach themselves to the workforce;

- Introduction of the Severe Permanent Disability Benefit - which removes the amount owing for those with a severe and permanent disability, and;

- Increased supports to students for community engagement and research.

And, of course, Government continues to be proud of the George Coles Bursary and Graduate Scholarship, the Island Skills Award and Island Student Award – which all provide a more-affordable education to Islanders.

Mr. Speaker, Government's commitment to young Islanders is a source of great pride. I am very happy to report that over the last five years, $24 million has been distributed to our young people through 17,000 provincial grants and bursaries.

Further, in keeping with our commitment to post-secondary education, operating grants for the University of Prince Edward Island, Holland College and Collège de L' Île will all increase by one per cent this year.

And through the Strategic Investment Fund, a combined Federal and Provincial investment of over $20 million will be made at the University and Holland College over several years. This investment will improve the research capability and energy efficiency at the institutions, while improving the learning environment for students.

"...Government's commitment to young Islanders is a source of great pride. I am very happy to report that over the last five years, $24 million has been distributed to our young people through 17,000 provincial grants and bursaries."

Growing Our Primary Industries

Mr. Speaker, our primary industries of agriculture and fisheries remain the foundation of our Province. In fact, agriculture, fisheries and aquaculture contributed approximately $700 million in economic activity to our Province last year.

"...agriculture, fisheries and aquaculture contributed approximately $700 million in economic activity to our Province...."

Our Government celebrates the contribution of these sectors and the hardworking Islanders that make them so successful. And we will continue to support the growth and development of our primary industries.

In particular, Mr. Speaker, I would point to the success of Growing Forward Two, a five-year Federal and Provincial cost-shared agreement worth $163 million to our Province. As a result of that program, the Island's agriculture industry has been equipped with the tools and resources needed to maintain a tradition of innovation.

While we are in the final year of this agreement, the Department of Agriculture and Fisheries is working with the Federal Government on the next policy framework for agriculture.

Government is also pleased with the recent announcement of a new Atlantic Fisheries Fund, which will help our fisheries and aquaculture sectors meet growing demand for our world-class products.

"Government is also pleased with the recent announcement of a new Atlantic Fisheries Fund, which will help our fisheries and aquaculture sectors to meet growing demand for our world-class products."

While the details on this $325 million investment across Atlantic Canada are still being finalized, our Province is ready to work with the Federal Government to identify, prioritize and cost-share projects that will improve seafood quality and sustainability. In turn, these efforts will help the sector grow - and make our communities more prosperous.

Mr. Speaker, there is little doubt that our reputation for high-quality products will serve us extremely well in the years ahead.

Generally-accepted forecasts suggest there will be a massive demand for food over the next two decades - with an estimated 3 billion new middle-class consumers in the world. Our growing reputation as Canada's Food Island means we are well-positioned for growth as a trusted, global leader in safe, nutritious and sustainable food.

"Our growing reputation as Canada's Food Island means we are well-positioned for growth as a trusted, global leader in safe, nutritious and sustainable food."

Mr. Speaker, one of the ways in which we support the agriculture industry is through farm business risk management programs. Over the past two years, crop insurance premiums have been reduced by 24 per cent. I am pleased to say that this year, crop insurance premiums will drop another 10 per cent. At the same time, we will be increasing the unit price for potatoes by 50 cents.

In aquaculture, we have seen increased demand for oysters. This demand has allowed for the establishment of a new hatchery owned and operated by Lennox Island First Nations. The Province has helped support the operation through the provision of equipment required to produce juvenile oysters and other shellfish species. The Province continues to work with Abegweit First Nations to encourage economic development opportunities in agriculture, fisheries and aquaculture.

"The Province continues to work with Abegweit First Nations to encourage economic development opportunities in agriculture, fisheries and aquaculture."

Prince Edward Island's finfish sector is also expanding with a new salmon hatchery under construction in Cardigan, plans for a new salmon facility in Rollo Bay and a halibut hatchery under construction in Victoria. As Prince Edward Island's finfish industry is export-focused, a Provincial Veterinarian position will enable the industry's continued growth by ensuring Island companies meet the fish health requirements to transfer their product.

The Department of Agriculture and Fisheries is developing a Food Security and Food Education Program. The food security component will allow community organizations to work on food security projects that will benefit all Islanders. The food education component will build awareness about where our food comes from and how it is produced, and increase understanding of the nutritional values of foods. The Province, through a partnership between Agriculture and Fisheries; Health and Wellness; and Education, Early Learning and Culture, will launch a pilot project in schools to increase access to local food products.

Fueling Entrepreneurship

Entrepreneurs are the life-blood of the economy of our Mighty Island. Their hard work, creativity and perseverance bring new ideas and new products to the fore. They help shape the current and future direction of our economy.

"Entrepreneurs are the life-blood of the economy of our Mighty Island. Their hard work, creativity and perseverance bring new ideas and new products to the fore."

But even the best entrepreneurs, with the best products, often need support to move from an idea, to a product or service, to a market.

With this in mind, the Province, through Island Investment Development Inc., will make a matching investment of up to $2M dollars toward a new Angel / Seed Investment Fund being established by Island Capital Partners.

This new fund will invest in Island start-ups developing innovative products and services, that have significant growth opportunities in export markets.

"The Province's investment will leverage private sector capital and expertise that is critical for those new and expanding businesses to grow to their full potential."

The Province's investment will leverage private sector capital and expertise that is critical for those new and expanding businesses to grow to their full potential.

Small and medium enterprises are the backbone of our economy. These investments will complement Government's initiative to

advance our entrepreneurship ecosystem along with the creation of our micro-loan program and the Start-Up Zone.

Advancing Rural and Regional Development

In order for Prince Edward Island to thrive and for Islanders to benefit, all regions of our Province must be strong and work together to seize potential opportunities for growth.

The Department of Rural and Regional Development was created to place increased focus and commitment on Government's collaboration with communities to build better growth opportunities in all parts of our Province.

To help support the work of the Minister of Rural and Regional Development, four economic advisory councils will be established across the Province. The councils will guide, develop and help drive economic growth, and provide advice to Government.

"...there is an interconnection between our communities, that can be strengthened and leveraged, to ensure prosperity for all."

The four economic advisory councils will allow for the diversity, opportunities and challenges of communities to be recognized and prioritized. At the same time, there is an interconnection between our communities, that can be strengthened and leveraged, to ensure prosperity for all.

"This Budget includes over $43 million for Infrastructure spending, $28 million of which is allocated to Clean Water Wastewater Fund projects in communities across the Island."

Supporting Communities

In 2017-2018 Municipal Grants will be increased by $1.1 million. The Province, in consultation with the various municipalities, is in the process of developing a new tax credit system for 2018-2019. In addition, $2.5 million has been allocated for a Provincial Infrastructure Fund which will be delivered by the Department of Transportation, Infrastructure and Energy.

The Department will also be investing in physical infrastructure for economic and community development. This Budget includes over $43 million for Infrastructure spending, $28 million of

which is allocated to Clean Water Wastewater Fund projects in communities across the Island. In addition, municipalities will spend almost $10 million on these projects.

Over the next three years, Provincial, Federal and Municipal contributions to water and wastewater projects will cost approximately $90 million.

Clean Energy and Climate Change

Our recently-released Energy Strategy provides a 10-year roadmap that will allow us to develop better energy solutions for Prince Edward Island, including more emphasis on renewable options. The Department of Transportation, Infrastructure and Energy continues to emphasize the importance of energy efficiency in reducing greenhouse gas emissions and energy consumption.

"The Department of Transportation, Infrastructure and Energy continues to emphasize the importance of energy efficiency in reducing greenhouse gas emissions and energy consumption."

The mandate and structure of efficiencyPEI is being updated to create a one-stop shop for Islanders looking to access energy efficiency programs and resources.

To this end, efficiencyPEI has signed a Memorandum of Understanding with Efficiency ONE in Nova Scotia which will allow for more-effective design of a robust suite of energy efficiency programs that will reduce our reliance on imported fossil fuels, reduce energy consumption and keep money in the pockets of Islanders.

"Our wind regime is world class. Our bio-mass initiatives have been innovative, building energy while reducing waste."

Mr. Speaker, our climate is changing; it is the reality that we face. In December 2016, our Government joined the Pan-Canadian Framework on Clean Growth and Climate Change. This was an historic step for humanity... but it is not our first step... Prince Edward Island has always been a leader in addressing climate issues, with a focus on utilizing renewable energy and building a smart economy. Our wind regime is world class. Our bio-mass initiatives have been innovative, building energy while reducing waste. Islanders have transitioned in large numbers to heating their homes with electricity. These efforts have helped

reduce our dependence on carbon emitting fuels. More steps are required to meet our targets to reduce carbon emissions by 2030.

Mr. Speaker, last month Communities, Land and Environment released the Prince Edward Island Recommendations for the Development of a 2016 Climate Change Mitigation Strategy. This document, along with the PEI Energy Strategy, is currently being used to determine the mitigation efforts the Province will focus on in a climate change action plan that will be released in the Fall of this year.

Mr. Speaker, our climate change action plan will include a pricing mechanism on carbon pollution, consistent with Federal requirements, while recognizing PEI's economic and social circumstances. We will work with our regional neighbours to ensure an approach that is aligned. The pricing mechanism will be developed in the coming months and introduced beyond this current fiscal year.

"Over the last two years, our Government has made considerable progress to ensure the public receives more, high-quality information."

Transparency and Modernizing Government

Over the last two years, our Government has made considerable progress to ensure the public receives more, high-quality information.

To this end, we have made information available through open data on the Government website; improved the public disclosure of travel and hospitality expenses, which is now required of Ministers and senior officials; provided an Ethics and Integrity Commissioner; and implemented a whistleblower policy.

"...funding will support the three-year strategy to ensure records are properly retained and stored, including new records information staff in the Department of Education, Early Learning and Culture."

The Budget will allocate almost $600,000 to improving records information processes across Government. This is in addition to the $390,000 which was included in the Capital Budget to improve the electronic storage of records.

The funding will support the three-year strategy to ensure records are properly retained and stored, including new records information staff in the Department of Education, Early Learning and Culture.

Adjusting Tax Measures

The Budget will also include the following revenue measures. Mr. Speaker, during Pre-Budget Consultations, this Government has heard the call to increase the Basic Personal Amount. Last year, the amount was raised 3.8 per cent to $8,000. This Budget proposes to raise the Basic Personal Amount by a further two per cent for the 2017 taxation year. The spouse and equivalent-to-spouse amounts will also be adjusted by two per cent. It is anticipated that these measures will reduce provincial income tax by a total of $1.5 million to approximately 85,000 Islanders.

"It is anticipated that these measures will reduce provincial income tax by a total of $1.5 million to approximately 85,000 Islanders."

Mr. Speaker, the Federal Government and many Provinces produce information on their tax credits that is useful in determining the cost and effectiveness of these measures.

During this year, I am requesting my Department officials to prepare a report on the existing income tax credits. This information will help guide a more thorough review of provincial tax credits in future Budgets.

In the mean time, Mr. Speaker, I will also propose a technical amendment to the *Income Tax Act* during this session that will preserve the existing provincial Education Amounts for the 2017 taxation year. This amendment is necessary due to the elimination of the Federal amounts effective this year.

Conclusion

Mr. Speaker, as I said earlier, I am proud of this Budget.

As a Government, our plan is simple to articulate.

We believe it is vital to make appropriate social and economic investments.

"And we believe it is equally important to be fiscally disciplined and respectful of taxpayers' resources."

And we believe it is equally important to be fiscally disciplined and respectful of taxpayers' resources.

Mr. Speaker, I believe that our plan for 2017-18 achieves the goals of social and economic progress, while controlling our spending.

As a result, our plan will move Prince Edward Island forward with increased investments in health care, education and supports for families and Islanders in need.

We achieved this goal while:

- Reducing provincial income taxes for 85,000 Islanders, and;
- Keeping a balanced Budget.

Mr. Speaker, our Island is increasingly diverse - both in terms of its economic activities and the people who call our Province home.

As we move forward, that new diversity will build new confidence - and we believe our 2017 plan will help move our Island forward and help to ensure future prosperity for all Islanders.

Thank you.

"...our Island is increasingly diverse - both in terms of its economic activities and the people who call our Province home."

"As we move forward, that new diversity will build new confidence...."